THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (d) Governmen attaches special importance to the growth of export of agricultural commodities including tobacco. Some of the steps taken to enhance exports of tobacco and tobacco products include, inter-alia, re-orientation of production of tobacco to meet changing international needs, enhancement of quality and productivity levels, monitoring and strict control of pesticides residues, aligning grading to international grading standards and permitting imports for product development.

Coffee growing potential in the Country

5118. SHRI YERRA NARAYANASWAMY: Will the Minister of COMMERCE be pleased to state:

(a) whether there is a significant coffee growing potential in the country, beyond the traditional areas;

(b) whether the Coffee Board has renewed efforts to contact State Government like the Government of Andhra Prodesh to increase coffee cultivation; and

(c) detatils of any fresh initiactive taken by Coffee Board to expand area of coffee cultivation?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) The Coffee Board has been pursuing with various State Govts. to increase the area under coffee in their respective States. The Government of Andhra Pradesh was approached in 1976-77 in this regard. A target of 16,000 hec. expansion programme was envisaged for Andhra Pradesh and a total area of 10,404 hec has been brought under coffee plantation till date.

(c) Following steps have been taken by the Coffee Board to expand coffee cultivation in the country:—

(1) The Board has conducted a detailed INSITU surveys to identify suitable areas for coffee plantation in the non-traditional States.

(2) The Board has set up Research and Extension Centre and Coffee Demonstration Farm to support coffee cultivation programme.

(3) Coffee Board extends required support and information for formulation of coffee projects and marketing in the States.

(4) The extension wing of the Board organises visits to coffee growing areas to give advice and help to the coffee cultivators.

(5) Coffee Board also monitors with the State Governments the progress of coffee cultivation in their states.

Alternative Scheme for IPRS

5119. SHRI G. Y. KRISHNAN: Will the Minister of COMMERCE be pleased to state:

(a) whether Government is considering an alternative scheme to the International Price Replenishment Scheme (IPRS);

(b) if so, the Broad features of the alternative scheme;

(c) whether Government have at any stage made an assessment of the working of the existing IPRS; if so, its outcome and what were the flaws noticed as a result thereof; and

(d) how far it helped in controlling the price fluctuation?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) and (b) A new Scheme called the Engineering Products Export (Replenishment of Iron and Steel

Inetrmediates) Scheme has been notified on 1-3-1995. Under this Scheme, the engineering goods exporter can domestically source their requirements of iron and ste elintermediates at prices competiable to internaional prices from steel producers, who are entitled to duty free import of their inputs under the Scheme.

(c) Government has, from time to time, reviewed the working of IPRS and rectified the flaws noticed as a result of such reviews. The Scheme has been withdrawn with effect from 1-4-94.

(d) The main objective of IPRS was to reimburse the price differential between the domestic prices and internaional prices of iron and steel raw materials required for export production by the engineering exporters/manufacturers.

Disposal of rice mills in Tamil Nadu by FCI

5120. SHRI S. MADHAVAN: Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that the Food Corporation of India has decided to dispose of the modern rice mills and a solvent extraction plant in Tamil Nadu to private parties;

(b) if so, what are the details thereof;

(c) whether it is also a fact that the former Chairman of FCI had directed the Zonal Managers to make a study to revive these units and the committee recommended to reactivate these units; and

(d) if so, what are the action taken on those recommendations?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) and (b) The Food Corporation of India has decided to dispose of all the remaining 12 Modern Rice Mills including the 4 in Tamil Nadu and a Solvent Extraction Plant at Sembanarkoil in Tamil Nadu. In the first instance, the Corporation has offered the plants and mchinery of these units to the respective State Governments and their agencies. Their response is still awaited. Any other mode of disposal will be considered only after the response of the State Governments and their agencies is known.

(c) and (d) The former Chairman of FCI had suggested revival of 8 Modern Rice Mills in the South Zone. Two Committees constituted to workout the modalities of reviving these units had estimated that fresh investments of Rs. 13.60 lakhs would be required for the purpose. The findings of a subsequent techno-economic study undertaken by the Corporation to ascertain the viability of running these units on commercial lines, were not encouraging. Taking all relevant factors into account the Board of Directors of FCI ultimately decided to dispose of these loss making units.

Reducing prices of wheat and rice sold by FCI

5121. DR. BAPU KALDATE: Will the Minister of FOOD be pleased to state:

(a) whether Government have decided to reduce the prices of wheat and rice sold by FCI in open market;

(b) if so, what are the details thereof; and

(c) how much quantity of foodgrains has since been sold and at what rate?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) to (c) The prices of wheat and rice for sale in open market are fixed by a High Level Committee of Food Corporation of India constituted for the purpose, state-wise and on month to month